REMARKS

Applicants thank the Examiner for the thorough consideration given the present application.

Claims 34, 35, and 37 are canceled herein without prejudice to or disclaimer of the subject matter set forth therein. Claims 1-12 and 30 were previously canceled. Claims 13-29, 31-33, 36, 38 and 39 are pending. Claims 13-16, 18, 19, 21, 22, 24-29, 31-33, and 36 are amended, and claims 38 and 39 are added. Claims 13, 21, and 27 are independent.

Reconsideration of this application, as amended, is respectfully requested.

Claim Rejections Under 35 U.S.C. §102(e)

Claims 13-29 and 31-33 are rejected under 35 U.S.C. §103(a) as being anticipated by Wiser et al. U.S. 6,330,675)

This rejection is respectfully traversed.

While not conceding the appropriateness of any of the rejections, but merely to expedite the prosecution of the instant application, independent claim 13 is amended herein to recite a combination of method steps directed to a method for copy protection, including, *inter alia*,

generating a data unit, the data unit including two portions, each of the two portions having a different protection level with respect to the other; and

transferring the data unit to a target device which has previously shared information for allowing transmission of the data unit.

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In addition, independent claim 21 is amended herein to recite a combination of elements directed to a system for copy protection, including, *inter alia*,

a computer adapted to generate a data unit, the data unit including two portions, each of the two portions having a different protection level with respect to the other; and

a target device for receiving the data unit after the target device has previously shared information for allowing transmission of the data unit.

Further, independent claim 27 is amended herein to recite a combination of method steps directed to a method for copy protection, including, *inter alia*,

registering a target device with a digital data server;

transferring an encrypted data unit from the server to the target device;

generating a partially decrypted digital data unit in the target device, the partially decrypted digital data unit including two portions which are encrypted at different levels with respect to each other;

transferring the partially decrypted data unit to a second device having a second decryption unit; and

using the second decryption unit for decrypting the partially decrypted digital data unit.

Support for the above features can be found in the specification, for example, on page 6, line 32 to page 7, line 6, and page 5, lines 6-11.

It is respectfully submitted that the combination of elements and steps set forth in each of independent claims 13, 21 and 27 is not disclosed or made obvious by the applied prior art of

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record, including Wiser et al.

The Applicants respectfully submit that the Wiser et al. document merely discloses a

process for protecting data being transmitted by simultaneously decrypting and encrypting and

decrypting different parts of the data being transmitted.

By contrast, in the present invention, the computer transfers the data unit to the target

device only after the target device has shared information for allowing transmission of the data

unit. The data unit transferred from the computer to the target device includes two portions,

each of which has a different protection level with respect to the other. Once the data unit has

been transferred to the target device, the data unit is partially decrypted by the decryption unit of

the target device. The partial decryption in the target device is performed independently of

partial decryption done previously in the computer. In other words, partially decrypting of the

data unit by the computer is separate from and plays no role whatsoever in the decrypting of the

partially decrypted data unit by the second decryption unit of the target device.

Moreover, the reference cited by the Examiner does not indicate that Wiser et al. had any

recognition of the problem faced by the present inventors.

The Wiser et al. device (see column 5, lines 8-34) provides a two step decryption process

in order to ensure the minimum required data flow rate is provided for the data flow pipeline for

transferring completely decrypted data to a CD-R device. In Wiser et al., the two decryption

steps occur in the computer, and the data file is transferred to the CD-R device in an unencrypted

manner.

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On the other hand, the present inventors were concerned about illicit interception of unencrypted data being downloaded from a first device (computer) to a second device (digital data playing device). Thus, with the present invention, the user must initially register the target device prior to receiving an encrypted data unit from the server. The data unit is only partially decrypted in the first decryption unit (of the first device), and then this partially decrypted unit is

transferred to the second decryption unit in the second device, where the partially decrypted unit

is available for full decryption at a later time.

The device of Wiser at al. and the device and methods of the present inventors are directed at solving completely different problems.

As such, the Applicants respectfully submit that the Examiner has failed, both to establish that Wiser et al. teaches each and every element and step of the claimed invention, and also has failed to establish a prima facie case of obviousness in his rejection.

In view of the foregoing, it is respectfully submitted that the applied prior art of record does not disclose or render obvious the present invention as recited in independent claims 13, 21 and 27. It is respectfully submitted that independent claims 13, 21 and 27 are allowable.

The Examiner will note that dependent claims 14-16, 18, 19, 22, 24-26, 28, 29, 31-33, and 36 are amended, and claims 38 and 39 are added.

Since the dependent claims depend from these allowable independent claims, they should also be allowable for at least the reasons set forth above, as well as for the additional features provided by these claims. Accordingly, all pending claims should be in condition for allowance.

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<u>CONCLUSION</u>

All of the stated grounds of rejection have been properly traversed, accommodated, or rendered moot. It is believed that a full and complete response has been made to the outstanding Office Action, and that the present application is in condition for allowance.

Pursuant to 37 C.F.R. §§ 1.17 and 1.136(a), Applicants respectfully petition for a one (1) month extension of time for filing a reply in connection with the present application, and the required fee of \$120 is attached hereto.

If any issues remain, however, the Examiner is invited to telephone Carl T. Thomsen (Reg. No. 50, 786) at 703-205-8000 in an effort to expedite prosecution.

If necessary, the Commissioner is hereby authorized in this, concurrent, and future replies to charge payment or credit any overpayment to Deposit Account No. 02-2448 for any additional fees required under 37 C.F.R. §§ 1.16 or 1.17, particularly extension of time fees.

Respectfully submitted,

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